

Message Text

CONFIDENTIAL POSS DUPE

PAGE 01 GENEVA 01600 031932Z

41

ACTION EB-07

INFO OCT-01 EUR-12 NEA-10 IO-11 ISO-00 OIC-02 AF-06 ARA-06

EA-07 AGR-05 CEA-01 CIAE-00 COME-00 DODE-00 FRB-03

H-02 INR-07 INT-05 L-03 LAB-04 NSAE-00 NSC-05 PA-01

AID-05 CIEP-01 SS-15 STR-04 ITC-01 TRSE-00 USIA-06

PRS-01 SP-02 OMB-01 FEA-01 /135 W

----- 109585

R 031700Z MAR 76

FM USMISSION GENEVA

TO SECSTATE WASHDC 8505

INFO AMEMBASSY ISLAMABAD

USMISSION EC BRUSSELS

C O N F I D E N T I A L GENEVA 1600

PASS STR FOR MIKE SMITH

E.O. 11652: GDS

TAGS: GATT, ETRD

SUBJECT: TEXTILES: GROUP OF 77 - "DECLARATION AND PROGRAM OF
ACTION"

REF: (A) GENEVA 1336, (B) GENEVA 1540

1. FOLLOWING DISCUSSIONS BETWEEN TSB CHAIRMAN, EC TSG REP,
AND PAK AMB, TENTATIVE AGREEMENT HAS BEEN REACHED FOR PRIVATE
INFORMAL MEETING BETWEEN EC DEL HEADED BY MEYNELL AND TAK
REPS ON OR ABOUT MAR 8 IN GENEVA IN EFFORT FIND WAY OUT OF
EC-PAK IMPASSE ON PHASE-OUT QUESTION (REF A). INDICATIONS
HERE ARE THAT EC HAS FINALLY UNDERSTOOD SERIOUSNESS OF EC-PAK
PHASE-OUT DISPUTE AND ITS RELATIONSHIP TO PAK INITIATIVE IN
GROUP 77'S "PROGRAM OF ACTION." PAK AMB HERE APPARENTLY HAS
ALSO RECOGNIZED VALIDITY U.S. CONCERN OVER IMPLICATIONS OF
PAK INITIATIVE IN MANILA EXPRESSED TO HIM BY U.S. REP IN
FEB 26 MEETING (REF B). PAK AMB HAS SUGGESTED TO U.S. REP
CONFIDENTIAL
CONFIDENTIAL

PAGE 02 GENEVA 01600 031932Z

THAT U.S. SHOULD INFORM GOP AT HIGH LEVEL IN ISLAMABAD OF
OUR CONCERN; POINTING OUT TO GOP ACTUAL BENEFITS IN

TERMS INCREASED MARKET ACCESS WHICH MFA HAS ALREADY YIELDED TO PAKISTAN AND OTHER LDC'S AND, AT SAME TIME, UNDERLINING THE PROBABLY CONSEQUENCES OF FAILURE TO EXTEND MFA. U.S. REP FULLY SUPPORTS THIS SUGGESTION BUT WOULD SUGGEST THAT SUCH APPROACH SHOULD BE DELAYED UNTIL AFTER EC-PAK INFORMAL CONSULTATIONS ARE CONCLUDED HERE AND RESULTS KNOWN.

2. U.S. REP HAS ALSO BEEN INFORMED THAT INDIA HAS AGREED CONSULT WITH EC ON PHASE-OUT QUESTION UNDER THE GENERAL CONSULTATIVE CLAUSE IN EC-PAK BILATERAL IN BRUSSELS ON MAR 22. WHILE INDIA HAS ALSO ADVISED TSB

THAT GOI WAS NOT INFORMED OF EC'S "PHASE-OUT" PLANS UNTIL AFTER AGREEMENT SIGNED, THEY MORE RELAXED THAN PAKS PROBABLY DUE FACT THEY HAVE MUCH SMALLER TRADE INTEREST AND, ALSO, HAD NOT INFORMED THEIR TRADE (AS DID GOP) THAT ALL ITEMS NOT COVERED IN BILATERAL COULD BE FREELY EXPORTED TO EC. INDIAN AMB CHADHA THIS WEEK INFORMED TSB THAT HE WOULD NOT PRESS FOR TSB CONSIDERATION OF EC-INDIA PHASE-OUT PENDING OUTCOME MAR 22 CONSULTATIONS IN BRUSSELS.

3. WHILE THERE IS NO WAY PREDICTING OUTCOME ANY TRANS-ACTION IN WHICH MEYNELL IS INVOLVED, LOCAL EC REPS SEEM CONFIDENT THAT EC WILL BE ABLE RESOLVE PHASE-OUT PROBLEMS BILATERALLY WITH PAKISTAN AND INDIA AND, HOPEFULLY, WITH KOREA AND HONG KONG. IF THESE PROBLEMS ARE NOT RESOLVED, WE CAN EXPECT STIFF GROUP 77 OPPOSITION AT UNCTAD IV ANY EFFORTS AMELIORATE OR SOFTEN GROUP'S POSITION ON FUTURE OF VOLUNTARY RESTRAINT ARRANGEMENTS "SUCH AS MFA."

4. BEFORE DEPARTURE GATT DIR GEN LONG MAR 2 ON VISIT PAKISTAN, U.S. REP CONVEYED TO DIR GEN THROUGH PATTERSON BACKGROUND TO PAK MANILA INITIATIVE. LONG IS CONCERNED OVER THIS PROBLEM AND, ACCORDING TO PATTERSON, WILL DISCUSS IT WITH PAK OFFICIALS DURING VISIT.

5. U.S. REP IS ALSO IFORMED THAT EC'S SIR CHRISTOPHER
CONFIDENTIAL
CONFIDENTIAL

PAGE 03 GENEVA 01600 031932Z

SOAMES WILL VISIT PAKISTAN LAST WEEK IN MARCH (IMMEDIATELY FOLLOWING LONG BISIT). IT OCCURS TO U.S. REP THAT, IN EVENT EC PAK MAR 8 TALKS YIELD NO RESULT, U.S. SHOULD CONSIDER APPROACH TO SOAMES EXPRESSING U.S. CONCERN (RELATED TO FUTURE OF MFA) OVER THIS DC-LDC IRRITANT AND EXPRESSING HOPE THAT SOAMES MIGHT FIND A SOLUTION AT THE POLITICAL LEVEL. SINCE SUCH A "POLITICAL" SOLUTION WOULD RELIEVE PAK COMMERCE PERM SEC NAIK OF HIS ACUTE PERSONAL EMBARRASSMENT OVER PRESS STATEMENT HE ISSUED FOLLOWING EC-PAK NEGOTIATIONS, IT MIGHT REPRESENT A WAY OUT FOR

BOTH SIDES. U.S. REP RECOGNIZES DELICACY OF SUCH U.S.
DEMARCHE IN BRUSSELS BUT, IN LIGHT IMPLICATIONS DETERI-
ORATING EC-LDC TEXTILE RELATIONS HAVE FOR EXTENSION OF
MFA, SUCH AN APPROACH APPEARS WARRANT SERIOUS CONSIDERA-
TION.

6. U.S. REP WILL REPORT GENEVA DEVELOPMENTS AS THEY
OCCUR. DALE

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: TRADE, TEXTILES, NEGOTIATIONS, PROGRAMS (PROJECTS)
Control Number: n/a
Copy: SINGLE
Draft Date: 03 MAR 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: ShawDG
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1976GENEVA01600
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Film Number: D760081-0481
From: GENEVA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1976/newtext/t197603100/aaaadkon.tel
Line Count: 123
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EB
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: 76 GENEVA 1336, 76 GENEVA 1540
Review Action: RELEASED, APPROVED
Review Authority: ShawDG
Review Comment: n/a
Review Content Flags:
Review Date: 24 MAR 2004
Review Event:
Review Exemptions: n/a
Review History: RELEASED <24 MAR 2004 by MartinML>; APPROVED <04 AUG 2004 by ShawDG>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
04 MAY 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: TEXTILES: GROUP OF 77 - "DECLARATION AND PROGRAM OF ACTION"
TAGS: ETRD, GATT, TSB, GROUP OF 77
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006